



## Missouri Department of Natural Resources Energy Center

### MISSOURI ENERGY BULLETIN

November 7, 2003

Energy prices and supplies shown throughout this bulletin are from Nov. 3, 2003 unless otherwise noted. Also shown are energy data from a month ago, Oct. 6, 2003, and from a year ago, Nov. 4, 2002.

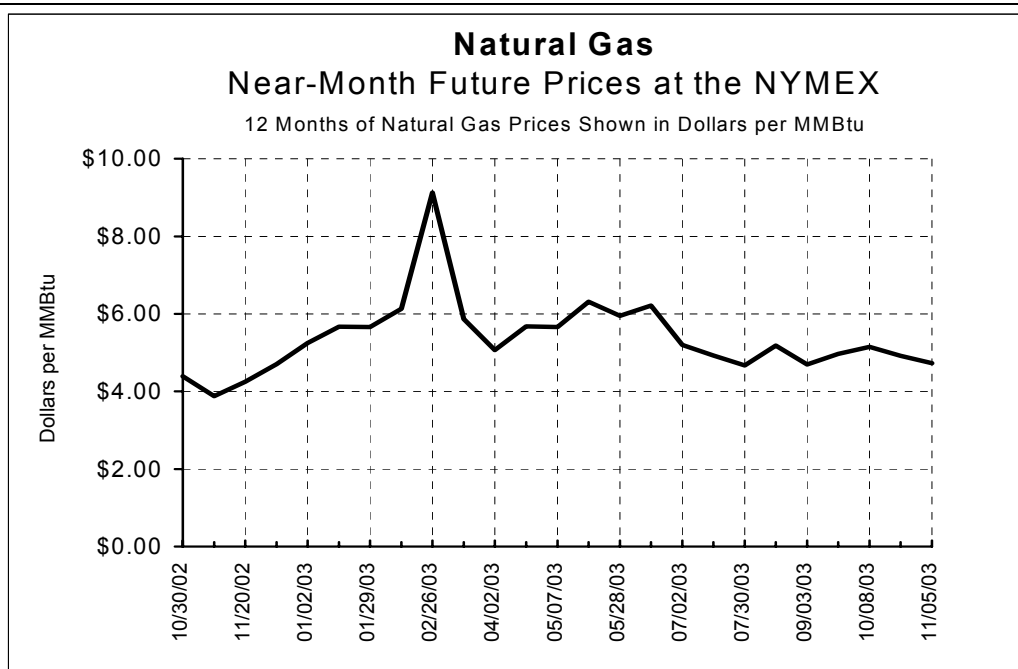
### Heating Fuels

Heating fuels tracked in the Missouri Energy Bulletin include natural gas, propane and residential heating oil. All heating fuel prices and supplies shown from October through March are updated in every new release of the bulletin. From April through September, propane and heating oil prices and supplies are either not available or revised once a month.

#### **Natural Gas**

Approximately 60 percent of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity. From 1997 to 2000, Missouri electric utilities' use of natural gas increased by an annual average of 23 percent.

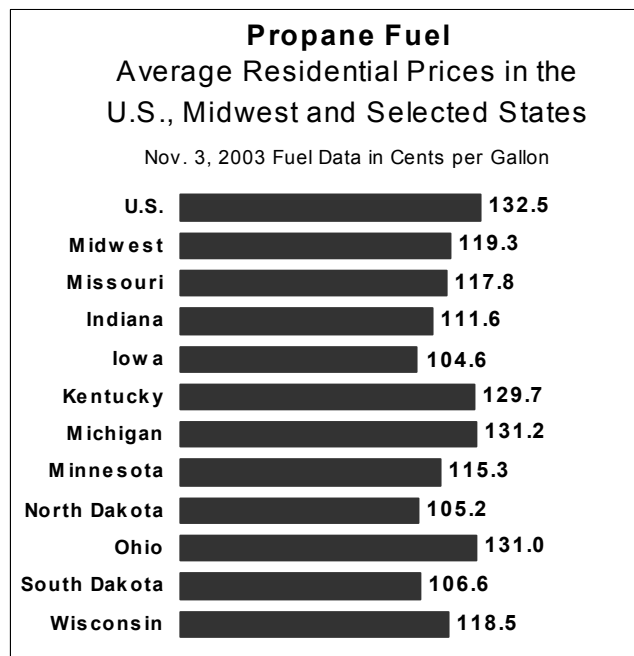
- The spot price for natural gas at the Henry Hub, throughout this last month (Oct. 8 to Nov. 5), decreased by 0.83 dollars per MMBtu (17 percent) moving from 4.84 to 4.01 dollars per MMBtu. Throughout this last year (Nov. 4, 2002 to Nov. 5, 2003), the price paid increased by 0.05 dollars per MMBtu moving from 3.96 to 4.01 dollars per MMBtu, an increase of 1 percent. (Source: *Wall Street Journal*)
- The near-month contract settlement price paid for natural gas futures at the NYMEX, throughout this last month (Oct. 8 to Nov. 5), decreased by 0.42 dollars per MMBtu (8 percent) moving from 5.15 to 4.73 dollars per MMBtu. Throughout this last year (Oct. 30, 2002 to Nov. 5, 2003), the price paid increased by 0.34 dollars per MMBtu moving from 4.39 to 4.73 dollars per MMBtu, an increase of 8 percent. (Source: *Wall Street Journal*)
- Working gas in storage was 3,155 Bcf as of Friday, October 31, 2003, according to EIA estimates, which is about 3 percent above the 5-year average. This represents a net increase of 34 Bcf from the previous week, continuing the pattern of larger-than-average net injections during the refill season this year. Warmer-than-normal temperatures across most of the Lower 48 States contributed to the continuing net additions of natural gas into storage.



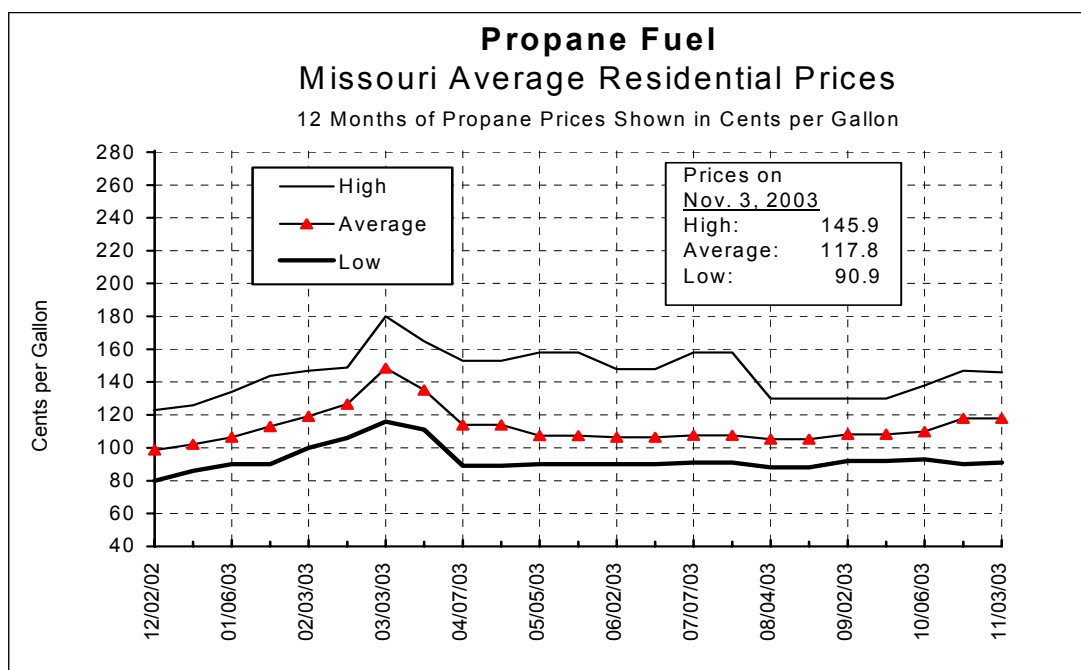
## Propane

Approximately 12 percent of Missouri households heat with propane, which is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles. In 2000, Missourians spent about \$459 million and used 455 million gallons of propane.

- The average price paid for residential propane in **Missouri**, throughout this last month, increased by 7.9 cents per gallon (7 percent) moving from 109.9 to 117.8 cents per gallon. Throughout this last year, the price paid for propane increased by 21.6 cents per gallon moving from 96.2 to 117.8 cents per gallon, an increase of 22 percent.
- Propane stocks in the **United States**, throughout this last month (Oct. 3 to Oct. 31), were up by 2.4 million barrels moving from 64.4 to 66.8 million barrels, an increase of 4 percent. In the **Midwest**, stocks were up by 1.8 million barrels (8 percent) moving from 21.9 to 23.7 million barrels.
- Propane stocks in the **United States**, throughout this last year (Nov. 1, 2002 to Oct. 31, 2003), were up by 2.1 million barrels (3 percent) moving from 64.7 to 66.8 million barrels. In the **Midwest**, stocks were up by 0.5 million barrels moving from 23.2 to 23.7 million barrels, an increase of 2 percent.



- According to the EIA, U.S. propane supplies increased by nearly 1.4 million barrels, raising primary storage to an estimated 66.8 million barrels as of October 31, 2003. Moreover, last week's build contributed to October's above average 2.4-million-barrel build that marked the fifth consecutive month of above average builds since the start of the build season which typically lasts from April through September.
- U.S. propane supplies are now 1.7 million barrels above year-ago levels, whereas only one month ago, as of September 30, 2003, propane inventories were 6.1 million barrels below year-ago levels. The Midwest region posted a weekly increase of 600,000 barrels. Midwest supplies stand at 23.666 million barrels, now over 500,000 barrels higher than this time last year.

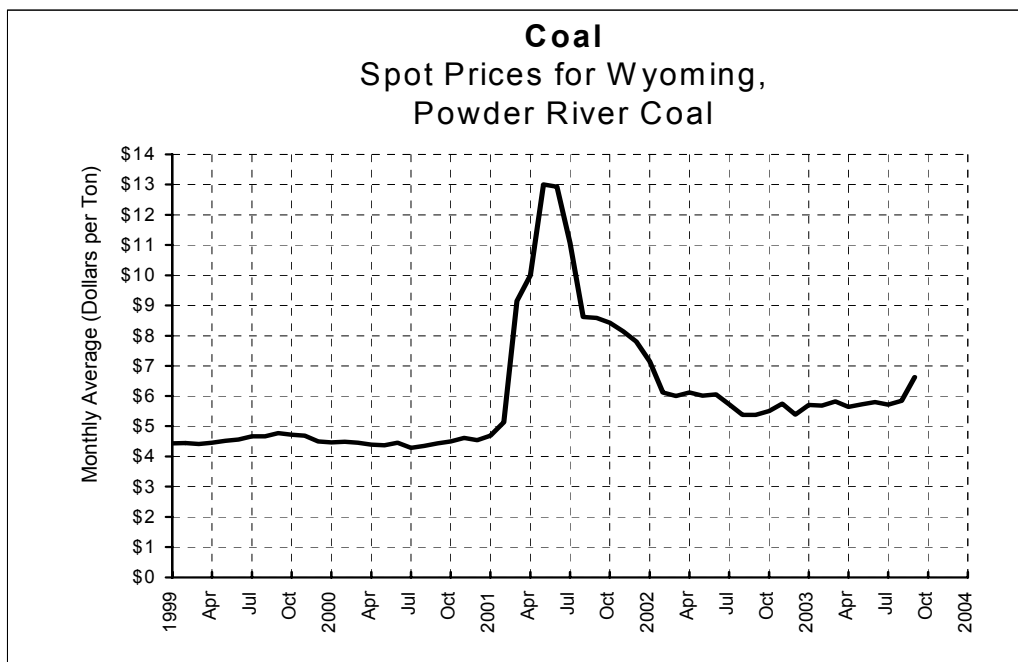


### Residential Heating Oil

- The average price paid for residential heating oil in the **Midwest**, throughout this last year, increased by 4.3 cents per gallon moving from 121.4 to 125.7 cents per gallon. In the **United States**, the average price paid increased by 10.4 cents per gallon (8 percent) moving from 127.8 to 138.2 cents per gallon.
- Residential heating oil stocks in the **Midwest**, throughout this last month (Oct. 3 to Oct. 31), were up by 0.9 million barrels (13 percent) moving from 7.0 to 7.9 million barrels. In the **United States**, stocks were up by 2.6 million barrels (5 percent) moving from 54.2 to 56.8 million barrels.
- Stocks in the **Midwest**, throughout this last year (Nov. 1, 2002 to Oct. 31, 2003), were up by 0.2 million barrels (3 percent) moving from 7.7 to 7.9 million barrels. In the **United States**, stocks were up by 0.6 million barrels (1 percent) moving from 56.2 to 56.8 million barrels.

## Coal

Coal-fired electric power plants located in Missouri produced 84 percent of all electric power used throughout the state in 2001. Of all coal delivered to Missouri during 2000, about 96 percent came from Wyoming.

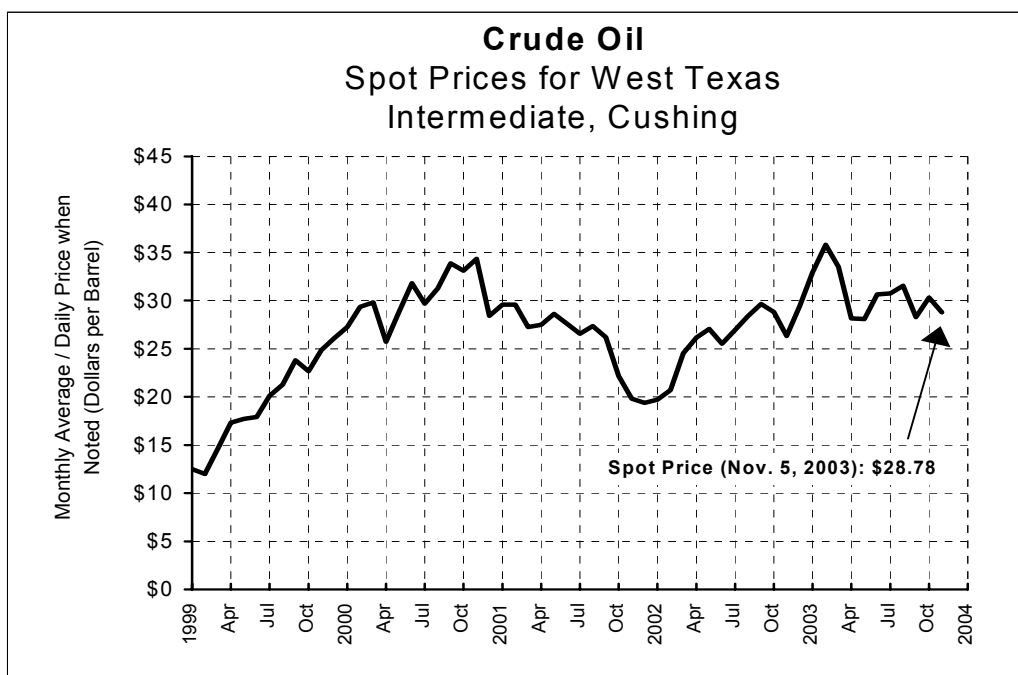


- The monthly average price paid for Wyoming, Powder River coal, throughout this last month (Aug. to Sep.), increased by 0.79 dollars (14 percent) moving from 5.84 to 6.63 dollars per ton. Throughout this last year (Sep. 2002 to Sep. 2003), the average price paid increased by 1.25 dollars moving from 5.38 to 6.63 dollars per ton, an increase of 23 percent. (Source: *Wyoming Insight*, Sep. 19, 2003)
- Estimated coal production for the week ending Nov. 2 was 20.9 million short tons (mmst). This was 0.3 mst or 1.3 percent above the comparable week in 2002. Year to date U.S. coal production is estimated at 900.2 mmst, or 1.7 percent behind the corresponding total for 2002.

## Crude Oil

- The spot price of crude oil (West Texas Intermediate - Cushing), throughout this last month (Oct. 8 to Nov. 5), decreased by 1.05 dollars per barrel (4 percent) moving from 29.83 to 28.78 dollars per barrel. Throughout this last year (Nov. 4, 2002 to Nov. 5, 2003), the spot price increased by 1.80 dollars per barrel moving from 26.98 to 28.78 dollars per barrel, an increase of 7 percent. (Source: *Wall Street Journal*)
- Despite the recent drop in crude oil prices, the NYMEX spot price for WTI surged last week, surpassing the \$30 per barrel price level. Analysts attribute a portion of the increase to potential production cuts to be discussed at OPEC's next meeting scheduled for December, as well as stronger demand for crude oil and petroleum products relating to a recovering U.S. economy.

- U.S. crude oil supplies increased 100,000 barrels during the week ending Oct. 31 with supplies estimated at 291.9 million barrels. Current U.S. supplies of crude oil remain 1.4 million barrels higher than this time last year.



## Transportation Fuels

- The average retail price paid for regular unleaded gasoline in **Missouri**, throughout this last month, increased by 1.1 cents per gallon (1 percent) moving from 138.4 to 139.5 cents per gallon. Throughout this last year, the price paid increased by 0.6 cents per gallon moving from 138.9 to 139.5 cents per gallon, an increase of less than 1 percent.
- The average retail price paid for regular unleaded gasoline in the **United States**, throughout this last month, decreased 3.8 cents per gallon (2 percent) moving from 157.3 to 153.5 cents per gallon. Throughout this last year, the price paid increased by 8.7 cents per gallon, an increase of 6 percent.
- The average retail price paid for highway diesel fuel in **Missouri**, throughout this last month, increased by 3.0 cents per gallon (2

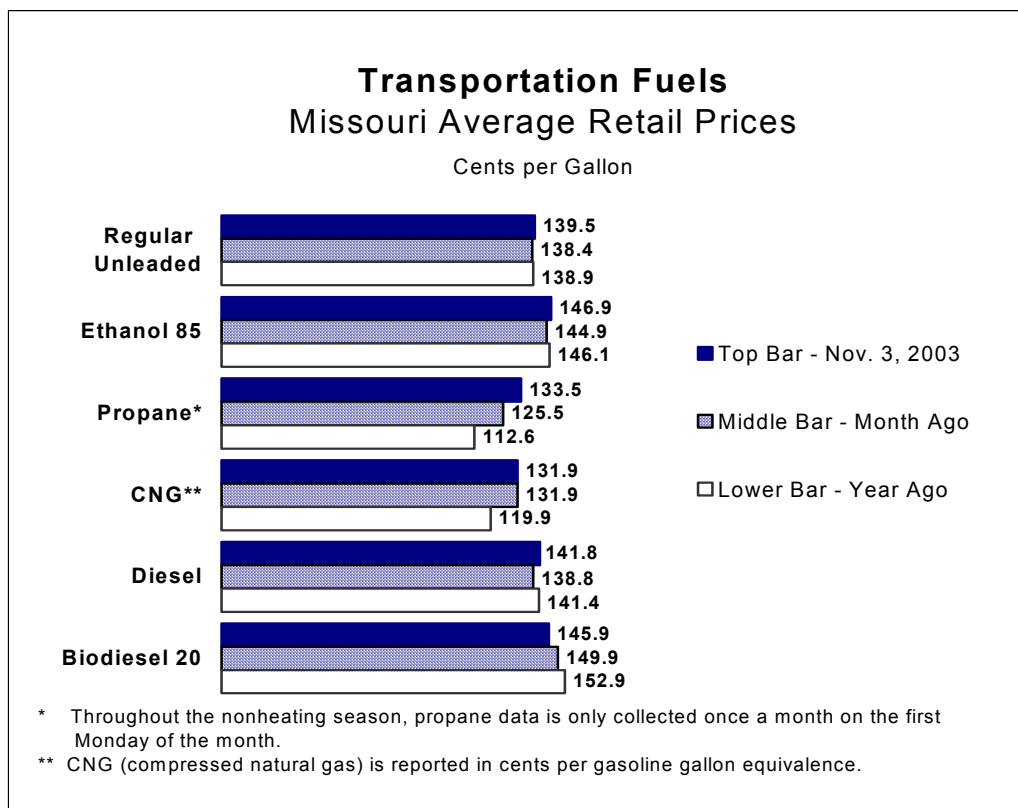
### Regular Unleaded Gasoline Average Retail Prices in the U.S., Midwest, Missouri and Missouri Regions

Nov. 3, 2003 Fuel Data in Cents per Gallon

<b>U.S.</b>	<b>153.5</b>
<b>Midwest</b>	<b>152.0</b>
<b>Missouri</b>	<b>139.5</b>
<b>Central, Mo.</b>	<b>139.1</b>
<b>Kansas City, Mo.</b>	<b>140.3</b>
<b>Northeast, Mo.</b>	<b>136.5</b>
<b>Northwest, Mo.</b>	<b>139.3</b>
<b>St. Louis, Mo.</b>	<b>143.8</b>
<b>Southeast, Mo.</b>	<b>136.7</b>
<b>Southwest, Mo.</b>	<b>138.0</b>

percent) moving from 138.8 to 141.8 cents per gallon. Throughout this last year, the price paid increased by 0.4 cents per gallon moving from 141.4 to 141.8 cents per gallon, an increase of less than 1 percent.

- Total motor gasoline stocks in the **Midwest**, throughout this last month (Oct. 3 to Oct. 31) were down by 1.4 million barrels (3 percent) moving from 49.3 to 47.9 million barrels. In the **United States**, stocks were down by 6.7 million barrels moving from 198.0 to 191.3 million barrels, a decrease of 3 percent.
- Total motor gasoline stocks in the **Midwest**, throughout this last year (Nov. 1, 2002 to Oct. 31, 2003), were down by 1.6 million barrels (3 percent) moving from 49.5 to 47.9 million barrels. In the **United States**, stocks were down by 0.8 million barrels moving from 192.1 to 191.3 million barrels, a decrease of less than 1 percent.



The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Energy Bulletin is a public resource that is made available to state government decision-makers, to any other interested individual upon request and on-line at the Energy Center Internet site. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration and Chicago Regional Office; the National Association of State Energy Officials the Missouri Propane Gas Association and the Propane Education and Research Council; the St. Louis AAA Auto Club; regional state energy offices; and, Missouri's energy retailers.